

Commission On Landlord-Tenant Affairs

COLTA NEWSLETTER

Montgomery County, Maryland



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Volume 1,

January 15, 2015

What is the Commission on Landlord-Tenant Affairs?

The Montgomery County Commission on Landlord-Tenant Affairs is a quasi-judicial body whose members act as Administrative Judges when complaints cannot be resolved by the Office of Landlord-Tenant Affairs.

The Commission is comprised of 15 members; 5 tenant representatives, 5 landlord representatives, and 5 members of the public who are neither tenants nor landlords.

After receiving a complaint, the Commission has three options: (1) decide there is no violation of law, in which case the Commission dismisses a complaint without conducting a hearing; (2) decide there is sufficient evidence of a violation, and the Commission may schedule a public hearing to allow both sides to present their testimony and evidence under oath; or (3) refer the case back to Landlord-Tenant staff for further investigation. Hearings are usually conducted by a panel of three Commissioners, one representative from each catego-

ry. These hearings are informal and parties can represent themselves or be represented by an attorney. Landlords cannot be represented by their management companies and parties cannot be represented by someone who is NOT a lawyer. If English is not the primary language of the landlord or tenant, an interpreter will be provided on request.

After hearing the case, the Commission issues a written Decision and Order within 45 days. The Commission can order any or all of the following if they find the landlord has created a defective tenancy:

- (1) immediate termination of the lease;
- (2) return of all or part of a tenant's security deposit along with a penalty up to three times the amount of the deposit if warranted;
- (3) return of all or part of any rent already

Continued- page 2

Changes in the Security Deposit Law

Effective January 1, 2015, the interest due on security deposits will be reduced from 3% simple interest per year to the daily U.S. Treasury yield curve rate for 1 year, as of the first business day of each year, or 1.5%, whichever is greater, less any damages rightfully withheld. The security deposit will accrue interest in six month intervals. For any year in which the landlord has held the security deposit for less than the full year, the landlord shall pay an amount of interest calculated by:

- 1. Multiplying the amount of the deposit by the daily U.S. Treasury yield curve rate for 1 year that was in effect as of the first business day of that calendar year, or 1.5%, whichever is greater; and
- 2. Multiplying the result obtained under item 1 of this subparagraph by a fraction, the numerator of which is the number of months that the deposit was held that year and the denominator of which is 12.

The Department of Housing and Community Development (DHCD) for the State of Maryland shall maintain on its Web site:

(1) A list of daily U.S. Treasury yield curve rates for 1 year, as of the first business day of

each year, to be used in calculating the interest on a security deposit; or

(2) A customized calculator that calculates the interest due on a security deposit by allowing a user to enter a tenancy start date, a tenancy end date, and the amount of the security deposit.

A landlord is entitled to rely on the list of yield curve rates or the customized calculator maintained by DHCD under Section 8-203, subsection (k) of the Real Property Article, Annotated Code of Maryland, 2010 as amended, when calculating the interest on a security deposit.

The calculator can be found at:

www.mdhousing.org

Please call the Office of Landlord-Tenant Affairs at 311 (within the County or 240-777 -0311 outside the County) if you have more questions or send us an email at:

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ta.intake@montgomerycountymd.gov

Inside this issue:

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|-------------|-------------|---------|----|
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New Lead Paint 2 Law

Landlords in COC's

Upcoming Events

Program for Seniors

Did You Know?



- When does this take effect?
- How does it work?
- Who maintains the calculator?
- Who do we contact if we have questions?





These hearings are informal and parties can represent themselves or be represented by an attorney.

What is the Commission (Continued)

paid to the landlord;

- (4) an award of up to \$2,500 for damage or loss incurred by a tenant;
- (5) a reasonable expenditure for temporary or substitute housing; and
- (6) attorney's fees up to \$1,000.00, when appropriate.

Failure to comply with a Commission decision is a Class A violation of the Montgomery County Code and enforcement action will be undertaken to compel compliance. If you disagree with the Commission's decision, you can appeal it to the Maryland Court of Appeals within 30 days after issuance.

Commissioners can serve two consecutive 3 year terms and up to 8 years if completing an unfinished term when first appointed.

COMMISSIONERS:

Galia Steinbach, Chair

Dave Goldberg, Vice Chair

Lawrence Culleen

Aluanda Drain

Beverly Flanagan

Robyn Jones

Richard Lashley

Kenneth Lemberg

Charles Marschke

Laura Murray

William Roberts

Mora Rogers

Jeffrey Slavin

Terri Torain

Changes to the Lead Paint Law



Here are the major changes to Maryland' Lead Paint Law that take effect January 1, 2015.

Currently, under Maryland's lead paint law, compliance is mandatory for rental dwelling units built prior to 1950, regardless of renovation history. Effective January 1, 2015, the Act will apply to all residential rental dwelling units built prior to 1978.

According to the Maryland Department of the Environment (MDE), compliance requires the following:

<u>REGISTRATION WITH MDE:</u> Owner must register all affected rental dwelling units within 30 days of acquisition and renew on or before December 31 each year. Registration includes the payment of \$30 per rental dwelling unit.

<u>DISTRIBUTION OF TENANT EDUCATIONAL</u>
<u>INFORMATION:</u> All tenants must be provided with the "Notice of Tenants Rights," and "Protect Your Family from Lead in Your Home" brochures and a copy of the current inspection certificate at the commencement of the tenancy and every two years thereafter.

MEET THE RISK REDUCTION STANDARD: All rental properties subject to the Act are required to be lead inspected by an MDE accredited lead paint inspector upon the occurrence of certain triggering events. The lead inspector will issue a Lead Paint Risk Reduction Certificate and all supporting documentation, summarizing the findings of their inspection. The accredited lead paint inspector will submit a copy to MDE and provide

two copies to the owner. The owner should keep one copy for their records, give one to their tenant, and make a third copy to give to Licensing and Registration, Montgomery County.

MEET FULL RISK REDUCTION STANDARD AT **EACH CHANGE OF OCCUPANCY IN A UNIT:** All properties subject to the Act are required to pass an inspection for lead contaminated dust, performed by an MDE accredited inspection contractor, prior to every change in occupancy. To pass the inspection the property must be free of defective paint on the interior and exterior of the property. MEET THE MODIFIED RISK REDUCTION STANDARD UPON NOTICE: Within 30 days of being notified in writing of either paint defects in a property or that a child under 6 years of age or pregnant woman has a blood lead elevation of 10 micrograms per deciliter or more, the owner is required to:

- Provide for the permanent relocation of all tenants to a property that is certified lead free or in compliance with the full risk reduction standard; or
- Temporarily relocate all tenants while all necessary work is performed and obtain a passing modified risk reduction certificate prior to the tenants moving back into the property.

USE TRAINED WORKERS, ACCREDITED SUPERVISORS AND CONTRACTORS. All work performed to meet a risk reduction



Landlords in Common Ownership Communities

Why should landlords get involved with their associations?

If you are a landlord of a house or unit that is a part of a common ownership community then you are a member of a condominium or a homeowners association, and the value of your property is greatly affected by the "health" of that association. The association's health depends mainly on its finances.

The financial stability of the association is a derivative of the monthly (or annual) dues it collects from its members and how the collected funds are managed and spent. Your first obligation as an association member, even if you do not reside in the community, is to pay your dues fully and timely. The association uses the money to maintain and improve common property, pay for the association's master insurance policy, pay for utilities, management fees, legal fees, and other administrative fees.

Even though you are a non-resident owner, you have an economic interest in the common ownership community. The appearance of the community is your property's "curb appeal" and will impact your prospective renters. If the community is nicely maintained, when it is time to rent your property, prospect tenants will be impressed and your chances to attract renters increase. If you already have tenants in your property, they are likely to have more pleasure and enjoyment of your property and thus stay there longer and be receptive to rent increases.

The community's appearance is not only enhanced by its land-scaping and the beauty of its common elements, but also by maintaining the exterior of its individual units. As an owner, it is your responsibility to maintain the exterior features of your property in good condition. Most homeowners associations conduct inspections annually or biannually and then send owners letters of violations describing the exterior defects found in their units. In some communities board members continuously look out for exterior defects. If you receive a citation from your board or management company about exterior maintenance issues, be sure to attend to these issues to avoid conflicts, and in some cases fines, and preserve

the beauty of the neighborhood.

As a landlord, you are also expected to be familiar with the association's governing documents, its rules and regulations. Such familiarity is critical especially in communities that have specific rules regarding renters and rentals. want to be sure that the lease you sign with your renters is consistent with the community's rules and regulations. Moreover, you must inform your renters about the rules and regulations that are relevant to their living within the community. By doing so, you can minimize potential conflicts and disputes between tenants and resident owners or tenants and board members. Your board of directors may update and change the rules and regulations from time to time and distribute periodical community updates; be sure to keep your tenants in the loop and promptly forward any relevant information to them.

To summarize, as a landlord in a common ownership community you may think that once you own a unit and rent it, you do not have to worry about your real estate investment until such time that you wish to re-rent or sell it. We recommend that you reconsider your position and become proactive in your common ownership community because your involvement will protect and may even boost your economic interest.

By Galia Steinbach



Upcoming Events—January and February 2015



January 2015

January 12—Hearing, Azmy et al vs Woldehanna

January 13—COLTA Meeting, 6:30 p.m.
100 Maryland Ave, Room 225
Rockville, MD 20850

January 19, 2015—Martin Luther King, Jr. Day

February 2015

February 3, 2015—COLTA Meeting, 6:30 p.m. 100 Maryland Ave, Room 225 Rockville, MD 20850

February 10-Hearing, Carrasquillo v Chen

February 16, 2015—Presidents Day

February 24-Hearing, Pratt v Natarjan



Montgomery County, Maryland

Commission on Landlord-Tenant Affairs C/O: Office of Landlord-Tenant Affairs 100 Maryland Avenue, 4th Floor Rockville, MD 20850

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We're on the web! www.montgomerycountymd. gov/olta

Lead Paint (con't)

standard must be performed by persons/companies who have been trained and/or accredited by MDE.

CERTAIN PROPERTIES MAY BE EXEMPT FROM THE ACT IF:

- The property is a hotel, motel or similar seasonal or transient facility; or
- The property has been lead paint tested by an MDE-accredited inspector and has issued a "Lead Free" or "Limited Lead Free" certificate. Any report submitted to the Department certifying a unit as "Lead Free" or "Limited Lead Free" shall include a processing fee of \$10 per unit.

For more information visit our website at www.mde.state.md.us/lead OR

call the Licensing and Registration Unit at 240-777-3666

DID YOU KNOW?

- On September 19, 1972, Chapter 29, Landlord-Tenant Relations, of the Montgomery County Code, took effect and thus began the Commission on Landlord-Tenant Affairs (COLTA).
- If you want to apply for a position on the Commission on Landlord- Tenant Affairs, check the County Executive's website for vacancies:

www.montgomerycountymd.gov/boards

- Commission Decisions and Orders can be found online at: www.montgomerycountymd.gov/DHCA/housing/landlordtenant/ colta/decisions_orders
- If you can't find answers to your questions on our website, please send an email to olta.intake@montgomerycountymd.gov

Office of Landlord-Tenant Affairs Sponsors a Program for Seniors

The Office of Landlord-Tenant Affairs in conjunction with Leslie Marks, DHCA's Senior Fellow, sponsored a program geared toward informing seniors of the services the County provides at reasonable or no cost to them. The program was held on November 19, 2014 at Victory Forest, one of several senior housing centers in the County. Seniors from Randolph Village, Willow Manor and Charter House were also in attendance.

Speakers included: Holy Cross Hospital's Wendy Friar on several innovative and helpful programs offered through the hospital which are available to Seniors; the Department of Health and Human Services' (DHHS) Shawn Brennan on the available transportation programs geared toward seniors; DHHS Health and Wellness Section's Emily Glazer who emphasized the available health programs designed to prevent illness; Montgomery County Recreation Department's Gabe Albornoz on the many programs aimed toward Seniors and facilities designated specifically for Seniors; Renters Alliance's Matt Losak on their group's mission to advocate for tenants

rights; and the Office of Landlord-Tenant Affairs' Rosie McCray-Moody on how to use the County's 311 Call Center to contact their Office when seniors have questions or problems with their landlords.

Our host, Victory Forest, generously provided a bag lunch for each participant. Speakers distributed materials that explained the various programs and gave their contact information. Many stayed at the end of program to answer audience questions, and again emphasized the use of the 311 Call Center should someone have questions.

Charter House residents also requested that some of the panelists come and give a similar presentation at their facility.

The Office of Landlord-Tenant Affairs hopes to have more programs like this in the future in other parts of the County.



Gabe Albornoz, Director of the Department of Recreation, speaking at the Senior Seminar.

